



Arizona could receive \$803 million in stimulus cash

Much of it earmarked for schools, universities

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The University of Arizona could get back some of the \$57 million cut from its budget last month if Gov. Jan Brewer applies for Arizona's estimated \$803 million share of the American Recovery and Reinvestment Act.

President Obama is expected to sign the bill Tuesday morning.

And amid billions in tax breaks, tax credits, increases in unemployment insurance and investment in infrastructure and technology through 2010 is a \$53 billion "state fiscal stabilization fund."

Most of that fund - \$39 billion - is earmarked to help states "backfill" cuts made to K-12 and higher education in the past year, said Shay Stautz, UA associate vice president for federal relations.

Arizona's estimated portion of the \$787 billion stabilization bill is about 1.5 percent, or \$803 million over the next 18 months, according to figures provided by U.S. Rep. Gabrielle Giffords, D-Ariz., at a public forum at UA Monday.

Giffords is hosting two more forums this week to discuss aspects of what she termed "an enormous bill."

The congresswoman's focus Monday was on the stimulus' affect in Arizona in the areas of science, technology and renewable energy, but UA officials have their fingers crossed that the "decimated" university system may receive life support from the bill outside those areas.

Each state's governor must apply to receive the state's allocation of the stabilization fund money, although details have not yet been released as to when state leaders can begin applying. The bill makes the money "available upon enactment."

How Arizona's \$803 million state stabilization funding would break down isn't known, but Stautz said much of it is for K-12 and higher education.

But it isn't a golden goose. To receive the money, governors must try to use it to restore funding for public education, Stautz said.

In addition, state governors have to "provide assurances" that their states will provide operational funding to K-12 and higher education at or above 2006 levels through 2011.

"If Gov. Brewer can't do that with the allotted money, the legislation calls for the allocation to be given back to schools and universities as much as possible in proportion to the cuts," Stautz said.

The bill provides a partial out: governors can apply to the U.S. Department of Education for a waiver that lets them avoid the 2006 funding requirement.

Stautz said that even if Brewer applied for and was granted the waiver, she would still be required - if she accepts the state stabilization money - to use the stabilization money to return education funding to as close to 2008 or 2009 levels, whichever is higher.

However, she would not then be tied to the three-year guarantee that the state would provide out of its own coffers funding at or above 2006 levels.

Representatives from Brewer's office were not available for comment.

"The Congress wanted to make sure more cuts aren't coming from education," Stautz explained.

Giffords said community and education leaders in southern Arizona need to join together across political party lines to pressure the state Legislature into realizing that funding for universities is key to the success of the state.

"Legislators need to understand that the heart of our communities, the brains of our communities are at our educational institutions," Giffords said.

Giffords also detailed \$54 billion in competitive grant funding for renewable energy, science and technology, as well as one-time increases to federal research agencies.

She told about 250 people at the forum that inventors, small-business owners and university researchers need to be "ready to go" with proposals as soon as the stimulus funding reaches federal agencies such as the National Institutes of Health or the National Science Foundation.

UA is thinking along those lines, said Leslie Tolbert, UA vice president for research. Tolbert said she is putting together teams to look at where the new grant money might wind up so UA can target projects in those areas.

"We will even look outside into the community for who could complement our expertise in X with Y and Z to give us a collaborative package that would have a better chance at the grant," Tolbert said. "We want to be ready so as soon as we get the requests for proposals, we can apply. We'll be checking Web sites (of the agencies) frequently."

Much of Giffords presentation focused on renewable energy, particularly solar, and Tolbert said that was a perfect example of how the stimulus package could jump-start something with a long-term benefit to the entire nation.

"People want to do solar, but it is too expensive. We need the research to bring the cost down. We have some people looking at the materials, some at the collection, some at distribution and storage.

"There are savings to make in all those areas, but we need to do research to find them, and we need money to do the research, which is where this stimulus will help," Tolbert said.

UA is also anxious to apply for some of a \$1.5 billion segment of the \$10 billion boost to National Institutes of Health funding.

That \$1.5 billion is set aside for infrastructure, such as research, said Stautz.

"We've got biomedical buildings we're trying to build up in Phoenix," he explained, referring to the UA College of Medicine-Phoenix expansion.